

Form 1120

Department of the Treasury
Internal Revenue Service

U.S. Corporation Income Tax Return

OMB No. 1545-0123

For calendar year 2005 or tax year beginning _____, 2005, ending _____, 2005
► See separate instructions.

2005

A Check if:	Name ITV DIRECT, INC.			B Employer identification number 54-2106781
1 Consolidated return (attach Form 851) <input type="checkbox"/>	Number, street, and room or suite number. If a P.O. box, see instructions. 55 CHERRY HILL DRIVE			C Date incorporated 01/08/2003
2 Personal holding company (attach Schedule PH) <input type="checkbox"/>	City or town BEVERLY			D Total assets (see instructions) \$ 39,066.
3 Personal service corp (see instructions) <input type="checkbox"/>	state MA	ZIP code 01915		
4 Schedule M-3 required (attach Sch M-3) <input type="checkbox"/>				

E Check if: (1) Initial return (2) Final return (3) Name change (4) Address change

1 a Gross receipts or sales 10,114,932.	b Less returns & allowances .	c Balance .. ►	1c 10,114,932.
2 Cost of goods sold (Schedule A, line 8)			2 10,110,084.
3 Gross profit. Subtract line 2 from line 1c			3 4,848.
4 Dividends (Schedule C, line 19)			4
5 Interest			5
6 Gross rents			6
7 Gross royalties			7
8 Capital gain net income (attach Schedule D (Form 1120))			8
9 Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)			9
10 Other income (see instructions — attach schedule)			10
11 Total income. Add lines 3 through 10		► 11 4,848.	

12 Compensation of officers (Schedule E, line 4)	12 0.
13 Salaries and wages (less employment credits)	13
14 Repairs and maintenance	14
15 Bad debts	15
16 Rents	16
17 Taxes and licenses	17 480.
18 Interest	18
19 Charitable contributions (see instructions for 10% limitation)	19
20a Depreciation (attach Form 4562)	20a 0.
b Less depreciation claimed on Schedule A and elsewhere on return	20b
21 Depletion	20c 0.
22 Advertising	21
23 Pension, profit-sharing, etc, plans	22
24 Employee benefit programs	23
25 Domestic production activities deduction (attach Form 8903)	24
26 Other deductions (attach schedule) . See. Other.Deductions.Statement.	25
27 Total deductions. Add lines 12 through 26	26 5,706.
28 Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11	27 6,186.
29 Less: a Net operating loss deduction (see instructions)	28 -1,338.
b Special deductions (Schedule C, line 20)	29a
	29b
	29c

30 Taxable income. Subtract line 29c from line 28 (see instructions if Sch C, line 12, was completed)	30 -1,338.
31 Total tax (Schedule J, line 11)	31
32 Payments: a 2004 overpayment credited to 2005	32a
b 2005 estimated tax payments	32b
c Less 2005 refund applied for on Form 4466	32c
d Tax deposited with Form 7004	32d
e Tax deposited with Form 7004	32e 0.
f Credits: (1) Form 2439 _____ (2) Form 4136 _____	32f
33 Estimated tax penalty (see instructions). Check if Form 2220 is attached	32g 0.
34 Tax due. If line 32g is smaller than the total of lines 31 and 33, enter amount owed	33
35 Overpayment. If line 32g is larger than the total of lines 31 and 33, enter amount overpaid	34
36 Enter amount of line 35 you want: Credited to 2006 estimated tax	35 0.
	36 Refunded ►

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.			May the IRS discuss this return with the preparer shown below? (see Inst)
	► Signature of officer	Date	Title	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Paid Preparer's Use Only	Preparer's signature ►	Date 09/11/06	Check if self-employed .. <input checked="" type="checkbox"/>	Preparer's SSN or PTIN P43183937
	Firm's Name (or yours if self-employed), address, and ZIP code ► LEO W. BONARKIGO CPA 268 SUMMER STREET, 6TH FLOOR BOSTON	MA 02210		EIN 04-3183937
				Phone no. (617) 946-2562

Schedule A Cost of Goods Sold (see instructions)

1 Inventory at beginning of year	1	0.
2 Purchases	2	
3 Cost of labor	3	
4 Additional Section 263A costs (attach schedule)	4	
5 Other costs (attach schedule) ...INFORMATIONAL PRODUCTION COSTS.....	5	10,110,084.
6 Total. Add lines 1 through 5	6	10,110,084.
7 Inventory at end of year	7	0.
8 Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2	8	10,110,084.

9a Check all methods used for valuing closing inventory:

(i) Cost
 (ii) Lower of cost or market
 (iii) Other (Specify method used and attach explanation.)

b Check if there was a writedown of subnormal goods

c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970)

d If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO

e If property is produced or acquired for resale, do the rules of section 263A apply to the corporation? Yes No

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If 'Yes,' attach explanation

 Yes No

Schedule C Dividends and Special Deductions (see instructions)		(a) Dividends received	(b) Percentage	(c) Special deductions (a) x (b)
1 Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock)			70	
2 Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock)			80	
3 Dividends on debt-financed stock of domestic and foreign corporations				
4 Dividends on certain preferred stock of less-than-20%-owned public utilities			42	
5 Dividends on certain preferred stock of 20%-or-more-owned public utilities			48	
6 Dividends from less-than-20%-owned foreign corporations and certain FSCs			70	
7 Dividends from 20%-or-more-owned foreign corporations and certain FSCs			80	
8 Dividends from wholly owned foreign subsidiaries			100	
9 Total. Add lines 1 through 8. See instructions for limitation				
10 Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958			100	
11 Dividends from affiliated group members and certain FSCs			100	
12 Dividends from controlled foreign corporations (attach Form 8895)			85	
13 Dividends from foreign corporations not included on lines 3, 6, 7, 8, 11, or 12				
14 Income from controlled foreign corporations under subpart F (attach Form(s) 5471)				
15 Foreign dividend gross-up				
16 IC-DISC and former DISC dividends not included on lines 1, 2, or 3				
17 Other dividends				
18 Deduction for dividends paid on certain preferred stock of public utilities				
19 Total dividends. Add lines 1 through 17. Enter here and on page 1, line 4				
20 Total special deductions. Add lines 9, 10, 11, 12, and 18. Enter here and on page 1, line 29b				

Schedule E Compensation of Officers (see instructions for page 1, line 12)

Note: Complete Schedule E only if total receipts (line 1a plus lines 4 through 10 on page 1) are \$500,000 or more.

(a) Name of officer	(b) Social security number	(c) Percent of time devoted to business	Percent of corporation stock owned		(f) Amount of compensation
			(d) Common	(e) Preferred	
ROBERT A. MAIHOS	013-44-7291	25.0 %	50.0 %	%	0.
DONALD W. BARRETT, JR	029-54-7612	25.0 %	50.0 %	%	0.
		%	%	%	
		%	%	%	
		%	%	%	
2 Total compensation of officers					0.
3 Compensation of officers claimed on Schedule A and elsewhere on return					
4 Subtract line 3 from line 2. Enter the result here and on page 1, line 12					0.

Schedule J Tax Computation (see instructions)

1 Check if the corporation is a member of a controlled group	► <input type="checkbox"/>	<table border="1" style="margin: auto;"> <tr><td>6 a</td></tr> <tr><td>6 b</td></tr> <tr><td>6 c</td></tr> <tr><td>6 d</td></tr> <tr><td>6 e</td></tr> <tr><td>6 f</td></tr> </table>	6 a	6 b	6 c	6 d	6 e	6 f
6 a								
6 b								
6 c								
6 d								
6 e								
6 f								
Important: Members of a controlled group, see instructions.								
2 a If the box on line 1 is checked, enter the corporation's share of the \$50,000, \$25,000, & \$9,925,000 taxable income brackets (in that order):	(1) \$ _____ (2) \$ _____ (3) \$ _____							
b Enter the corporation's share of: (1) Additional 5% tax (not more than \$11,750)	\$ _____							
	(2) Additional 3% tax (not more than \$100,000)							
3 Income tax. Check if a qualified personal service corporation (see instructions)	► <input type="checkbox"/>							
4 Alternative minimum tax (attach Form 4626)								
5 Add lines 3 and 4								
6 a Foreign tax credit (attach Form 1118)								
b Possessions tax credit (attach Form 5735)								
c Credits from: <input type="checkbox"/> Form 8834 <input type="checkbox"/> Form 8907, line 23								
d General business credit. Check box(es) and indicate which forms are attached.	<input type="checkbox"/> Form 3800 <input type="checkbox"/> Form(s) (specify) ► _____							
e Credit for prior year minimum tax (attach Form 8827)								
f Bond credits from: <input type="checkbox"/> Form 8860 <input type="checkbox"/> Form 8912								
7 Total credits. Add lines 6a through 6f								
8 Subtract line 7 from line 5								
9 Personal holding company tax (attach Schedule PH (Form 1120))								
10 Other taxes. <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Form 8697 Check if from: <input type="checkbox"/> Form 8866 <input type="checkbox"/> Form 8902 <input type="checkbox"/> Other (att schedule)								
11 Total tax. Add lines 8 through 10. Enter here and page 1, line 31								

Schedule K Other Information (see instructions)

	Yes	No		Yes	No
1 Check accounting method:	<input type="checkbox"/> a Cash	<input checked="" type="checkbox"/> b Accrual			
c <input type="checkbox"/> Other (specify) ► _____					
2 See the instructions and enter the:					
a Business activity code no. ► <u>541800</u>					
b Business activity ► <u>MEDIA BROKER/BUYER</u>					
c Product or service ► <u>SERVICE</u>					
3 At the end of the tax year, did the corporation own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).)		X	7 At any time during the tax year, did one foreign person own, directly or indirectly, at least 25% of (a) the total voting power of all classes of stock of the corporation entitled to vote or (b) the total value of all classes of stock of the corporation?		
If 'Yes,' attach a schedule showing: (a) name and employer identification number (EIN), (b) percentage owned, and (c) taxable income or (loss) before NOL and special deductions of such corporation for the tax year ending with or within your tax year.			If 'Yes,' enter: (a) Percentage owned		
4 Is the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group?	X		and (b) Owner's country ► _____		
If 'Yes,' enter name and EIN of the parent corporation ► _____			c The corporation may have to file Form 5472, Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. Enter number of Forms 5472 attached		
5 At the end of the tax year, did any individual, partnership, corporation, estate or trust own, directly or indirectly, 50% or more of the corporation's voting stock? (For rules of attribution, see section 267(c).)		X	8 Check this box if the corporation issued publicly offered debt instruments with original issue discount		
If 'Yes,' attach a schedule showing name and identifying number. (Do not include any information already entered in 4 above.)			If checked, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments.		
Enter % owned ► <u>100.00</u> . See Ques 5 Stmt			9 Enter the amount of tax-exempt interest received or accrued during the tax year		
6 During this tax year, did the corporation pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the corporation's current and accumulated earnings and profits? (See sections 301 and 316.)		X	10 Enter the number of shareholders at the end of the tax year (if 100 or fewer)		
If 'Yes,' file Form 5452, Corporate Report of Nondividend Distributions.			11 If the corporation has an NOL for the tax year and is electing to forego the carryback period, check here		
If this is a consolidated return, answer here for the parent corporation and on Form 851, Affiliations Schedule, for each subsidiary.			If the corporation is filing a consolidated return, the statement required by Temporary Regulations section 1.1502-21T(b)(3) must be attached or the election will not be valid.		
Note: If the corporation, at any time during the tax year, had assets or operated a business in a foreign country or U.S. possession, it may be required to attach Schedule N (Form 1120), Foreign Operations of U.S. Corporations, to this return. See Schedule N for details.			12 Enter the available NOL carryover from prior tax years (Do not reduce it by any deduction on line 29a.)		
			► \$ <u>1,470</u>		
			13 Are the corporation's total receipts (line 1a plus lines 4 through 10 on page 1) for the tax year and its total assets at the end of the tax year less than \$250,000?		
			If 'Yes,' the corporation is not required to complete Schedules L, M-1, and M-2 on page 4. Instead, enter the total amount of cash distributions and the book value of property distributions (other than cash) made during the tax year. ► \$ _____		

Note: If the corporation, at any time during the tax year, had assets or operated a business in a foreign country or U.S. possession, it may be required to attach Schedule N (Form 1120), Foreign Operations of U.S. Corporations, to this return. See Schedule N for details.

Note: The corporation is not required to complete Schedules L, M-1 and M-2 if Question 13 on Schedule K is answered 'Yes.'

Schedule L Balance Sheets per Books		Beginning of tax year		End of tax year	
Assets		(a)	(b)	(c)	(d)
1	Cash		6,349.		2,985.
2a	Trade notes and accounts receivable	49,270.		36,000.	
b	Less allowance for bad debts		49,270.		36,000.
3	Inventories		0.		0.
4	U.S. government obligations				
5	Tax-exempt securities (see instructions)				
6	Other current assets (attach schedule)				
7	Loans to shareholders				
8	Mortgage and real estate loans				
9	Other investments (attach schedule)				
10a	Buildings and other depreciable assets	46,968.		46,968.	
b	Less accumulated depreciation	46,968.	0.	46,968.	0.
11a	Depletable assets				
b	Less accumulated depletion				
12	Land (net of any amortization)				
13a	Intangible assets (amortizable only)	200.		200.	
b	Less accumulated amortization	79.	121.	119.	81.
14	Other assets (attach schedule)				
15	Total assets		55,740.		39,066.
Liabilities and Shareholders' Equity					
16	Accounts payable		10,000.		5,000.
17	Mortgages, notes, bonds payable in less than 1 year				
18	Other current liabilities (attach sch) ..Ln.18 Stmt		7,461.		912.
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more				
21	Other liabilities (attach schedule)				
22	Capital stock: a Preferred stock				
b	Common stock	200.	200.	200.	200.
23	Additional paid-in capital				
24	Retained earnings — Approp (att sch)				
25	Retained earnings — Unappropriated		38,079.		32,954.
26	Adjmnt to shareholders' equity (att sch)				
27	Less cost of treasury stock				
28	Total liabilities and shareholders' equity		55,740.		39,066.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income per Return (see instructions)

1	Net income (loss) per books	-5,125.	7	Income recorded on books this year not included on this return (itemize): Tax-exempt interest \$ _____	
2	Federal income tax per books	0.			
3	Excess of capital losses over capital gains				
4	Income subject to tax not recorded on books this year (itemize):				
5	Expenses recorded on books this year not deducted on this return (itemize): a Depreciation .. \$ _____ b Charitable contributions .. \$ _____ c Travel & entertainment .. \$ _____		8	Deductions on this return not charged against book income this year (itemize): a Depreciation .. \$ _____ b Charitable contribs \$ _____	
See Ln 5 Stmt	3,787.	3,787.	9	Add lines 7 and 8	
6	Add lines 1 through 5	-1,338.	10	Income (page 1, line 28) — line 6 less line 9	-1,338.

Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (Line 25, Schedule L)

1	Balance at beginning of year	38,079.	5	Distributions .. a Cash ..	
2	Net income (loss) per books	-5,125.	b	Stock _____ c Property ..	
3	Other increases (itemize):		6	Other decreases (itemize):	
4	Add lines 1, 2, and 3	32,954.	7	Add lines 5 and 6	
			8	Balance at end of year (line 4 less line 7)	32,954.

Form 4562

(Rev January 2006)

Department of the Treasury
Internal Revenue ServiceDepreciation and Amortization
(Including Information on Listed Property)

OMB No. 1545-0172

2005

Attachment
Sequence No. 67

Name(s) shown on return

ITV DIRECT, INC.

Business or activity to which this form relates

Form 1120 Line 20

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount. See the instructions for a higher limit for certain businesses	1	\$105,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	\$420,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2004 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2006. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

14	Special allowance for certain aircraft, certain property with a long production period, and qualified New York Liberty or GO Zone property (other than listed property) placed in service during the tax year (see instrs)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	0.

Part III MACRS Depreciation (Do not include listed property.) (See instructions)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2005	17	0.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here: <input type="checkbox"/>		

Section B – Assets Placed in Service During 2005 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only — see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27.5 yrs	MM	S/L	
			27.5 yrs	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	
				MM	S/L	

Section C – Assets Placed in Service During 2005 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

Part IV Summary (see instructions)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations — see instructions	22	0.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A – Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? Yes No 24b If 'Yes,' is the evidence written? Yes No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost	
25	Special allowance for certain aircraft, certain property with a long production period, and qualified New York Liberty or GO Zone property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)					25			

26 Property used more than 50% in a qualified business use:

27 Property used 50% or less in a qualified business use:

28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 28

29 Add amounts in column (i), line 26. Enter here and on line 7, page 1 29

Section B – Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other 'more than 5% owner,' or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

30	Total business/investment miles driven during the year (do not include commuting miles)	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
		Yes	No										
31	Total commuting miles driven during the year												
32	Total other personal (noncommuting) miles driven												
33	Total miles driven during the year. Add lines 30 through 32												
34	Was the vehicle available for personal use during off-duty hours?												
35	Was the vehicle used primarily by a more than 5% owner or related person?												
36	Is another vehicle available for personal use?												

Section C – Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

37	Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
38	Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners	<input type="checkbox"/> Yes	<input type="checkbox"/> No
39	Do you treat all use of vehicles by employees as personal use?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
40	Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
41	Do you meet the requirements concerning qualified automobile demonstration use? (See instructions)	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Note: If your answer to 37, 38, 39, 40, or 41 is 'Yes,' do not complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
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42	Amortization of costs that begins during your 2005 tax year (see instructions):				
43	Amortization of costs that began before your 2005 tax year 43 40.				
44	Total. Add amounts in column (f). See instructions for where to report 44 40.				

Form 7004

(Rev December 2005)
Department of the Treasury
Internal Revenue Service

Application for Automatic 6-Month Extension of Time To File Certain Business Income Tax, Information, and Other Returns

OMB No. 1545-0233

► File a separate application for each return.

Type or Print	Name ITV DIRECT, INC. Number, street, and room or suite number. If P.O. box, see instructions. 55 CHERRY HILL DRIVE City, town, state, and ZIP code (If a foreign address, enter city, province or state, and country (follow the country's practice for entering postal code).) BEVERLY	Taxpayer identification number 54-2106781 MA 01915
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Caution: Carefully complete all items. Incorrect information may cause delay or rejection.

1 Enter only one code for type of return form that this automatic 6-month extension is for (see below) 12

2 If the foreign corporation does not have an office or place of business in the United States, check here ►

3 If the organization qualifies under Regulations section 1.6081-5 (see instructions), check here ►

4a For calendar year 2005, or other tax year beginning _____, 20 __, and ending _____, 20 __

b Short tax year. If this tax year is less than 12 months, check the reason:
 Initial return Final return Change in accounting period Consolidated return to be filed

5 If the organization is a corporation and is the common parent of a group that intends to file consolidated, check here ►
Also, you must attach a schedule, listing the name, address, and EIN for each member covered by this extension.

6 Tentative total tax (see instructions) 6 0.

7 Total payments and credits (see instructions) 7 0.

8 Balance due. Subtract line 7 from line 6. Generally, you must deposit this amount using the Electronic Federal Tax Payment System (EFTPS), a Federal Tax Deposit (FTD) Coupon, or Electronic Funds Withdrawal (EFW) (see instructions for exceptions) 8 0.

Extension Is For:	Form Code	Extension Is For:	Form Code
Form 706-GS(D)	01	Form 1120-L	18
Form 706-GS(T)	02	Form 1120-ND	19
Form 990-C	03	Form 1120-ND (section 4951 taxes)	20
Form 1041 (estate)	04	Form 1120-POL	21
Form 1041 (trust)	05	Form 1120-REIT	23
Form 1041-N	06	Form 1120-RIC	24
Form 1041-SOF	07	Form 1120-S	25
Form 1042	08	Form 1120-SF	26
Form 1065	09	Form 5320A	27
Form 1065-B	10	Form 8612	28
Form 1066	11	Form 8613	29
Form 1120	12	Form 8725	30
Form 1120 (subchapter S cooperative)	13	Form 8804	31
Form 1120-A	14	Form 8831	32
Form 1120-E	15	Form 8876	33
Form 1120-FSC	16		
Form 1120-H	17		

BAA For Paperwork Reduction Act Notice, see separate instructions.

Form 7004 (Rev 12-2005)

Corporation Information Worksheet

2005

► Keep for your records

Part I – Identifying Information

Employer Identification Number 54-2106781Name ITV DIRECT, INC.Address 55 CHERRY HILL DRIVECity BEVERLY State .. MA ZIP Code 01915Telephone (978) 299-2202 ExtensionFax E-mail Address If eligible for hurricane tax relief legislation benefits, check here ►

Part II – Type of Return

 Prepare Short-Form 1120-A Prepare Form 1120-H Prepare Schedule PH

Part III – Tax Year and Filing Information

<input checked="" type="checkbox"/> Calendar year	Date Incorporated <u>01/08/2003</u>
<input type="checkbox"/> Fiscal year – Ending month	1120-H filers only: Date association
<input type="checkbox"/> Short year – Beginning date	was formed
Ending date	

<input type="checkbox"/> Use general method of annualization to calculate regular tax for short year
IRS Service Center where corporation return is filed <u>Cincinnati, OH 45999-0012</u>
<input type="checkbox"/> Corporation is enrolled in the Electronic Federal Tax Payment System (EFTPS)

Part IV – 2005 Estimated Tax Payments

Payment Quarters	Due Date	Actual Payment Date	Amount Paid
First Quarter Payment	<u>04/15/05</u>		
Second Quarter Payment	<u>06/15/05</u>		
Third Quarter Payment	<u>09/15/05</u>		
Fourth Quarter Payment	<u>12/15/05</u>		
Additional Payment 1			
Additional Payment 2			
Additional Payment 3			
Additional Payment 4			

ITV DIRECT, INC.

54-2106781 Page 2

Part V – Electronic Filing Information**Electronic Filing:**

Check this box to file the federal return electronically ►

Check this box to file the state(s) electronically ►

State(s) *
MA

Practitioner PIN program:

Check this box to sign this return electronically using the Practitioner PIN ►

ERO entered PIN ►

Officer's PIN (enter any 5 numbers) ►

Date PIN entered ►

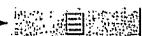
Electronic Filing of Extensions:

Check this box to file Form 7004 (application for extension of time to file return) electronically ►

Check this box to file the Massachusetts Form 355-7004 (first extension of time to file) electronically ... ►

Information required for Electronic Filing:

Officer's Name ► Robert A. Maihos

QuickZoom to the Electronic Filing Information Worksheet ► 

Part VI – Direct Deposit or Electronic Funds Withdrawal Information

Does client want to use direct deposit of any federal tax refund? ► Yes No

Does client want to use electronic funds withdrawal of federal balance due (EF only)? ► Yes No

Does client want to use electronic funds withdrawal of Form 7004 balance due (EF only)? ► Yes No

If you selected any of the options above, fill out the information below:

(Be sure to review transferred information for accuracy.)

Name of Financial Institution (optional) ►

Check the appropriate box ► Checking Savings

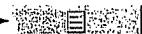
Routing number ► Account number ►

Enter the payment date to withdraw tax payment ►

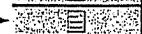
Balance due amount from this return ►

Enter an amount to withdraw tax payment ►

If partial payment is made, the remaining balance due ►

QuickZoom to Form 1120, Pages 1 and 2 ► 

QuickZoom to Form 1120-A, Pages 1 and 2 ► 

QuickZoom to Form 1120-H, ► 

QuickZoom to Client Status ► 

Other Deductions Worksheet

2005

► Keep for your records

Form 1120, Line 29a,
or Form 1120-A, Line 25aNet Operating Loss Worksheet
► Keep for your records

2005

Name ITV DIRECT, INC.	Employer Identification Number 54-2106781
--------------------------	--

NEW LAW: Two year carryback, twenty year carryover

NOL Carryover Year	A Carryover	B Less Carrybacks/ Carryovers	C Adjusted Carryover
2004	1,470.		1,470.
2003			
2002			
2001			
2000			
1999			
1998			
1997			
Total new law	1,470.		1,470.

OLD LAW: Three year carryback, fifteen year carryover

NOL Carryover Year	A Carryover	B Less Carrybacks/ Carryovers	C Adjusted Carryover
2004			
2003			
2002			
2001			
2000			
1999			
1998			
1997			
1996			
1995			
1994			
1993			
1992			
1991			
1990			
Total old law			

ITV DIRECT, INC.

54-2106781

Net Operating Loss Summary

NOL Carryover Year	A NOL Carryover Available	B Deduction Allowed in Current Year	C Adjustment Under Section 172(b)(2)	D Remaining Carryover New Law	E Remaining Carryover Old Law
2004	1,470.			1,470.	0.
2003					
2002					
2001					
2000					
1999					
1998					
1997					
1996					
1995					
1994					
1993					
1992					
1991					
1990					
Totals	1,470.			1,470.	0.
Less: Carryover expiring due to 15-year limitation					
Add: Current year net operating loss					1,338.
Less: Carryback of current year net operating loss					
Net operating loss carryover to next year					2,808.

CPCW7601.SCR 10/20/05

Form 4626
Line 6

AMT Net Operating Loss Worksheet

2005

► Keep for your records

Name ITV DIRECT, INC.	Employer Identification Number 54-2106781
--------------------------	--

NEW LAW: Two year carryback, twenty year carryforward

Carryover Period	A Carryover Amount	B Less Carrybacks/ Carryovers	C Adjusted Carryover Amount
2004.....	1,470.		1,470.
2003.....			
2002.....			
2001.....			
2000.....			
1999.....			
1998.....			
1997.....			
Total new law.....	1,470.		1,470.

OLD LAW: Three year carryback, fifteen year carryforward

Carryover Period	A Carryover Amount	B Less Carrybacks/ Carryovers	C Adjusted Carryover Amount
2004.....			
2003.....			
2002.....			
2001.....			
2000.....			
1999.....			
1998.....			
1997.....			
1996.....			
1995.....			
1994.....			
1993.....			
1992.....			
1991.....			
1990.....			
Total old law.....			

AMT Net Operating Loss Summary

Carryover Period	A Adjusted Carryover Amount	B Deduction Allowed in Current Year	C Remaining Carryover New Law	D Remaining Carryover Old Law
2004	1,470.		1,470.	
2003				
2002				
2001				
2000				
1999				
1998				
1997				
1996				
1995				
1994				
1993				
1992				
1991				
1990				
Totals	1,470.		1,470.	
Less: Carryover expiring due to 15-year limitation				
Add: Current year Alternative Minimum Tax net operating loss			1,338.	
Less: Carryback of current year AMT net operating loss				
Alternative Minimum Tax net operating loss carryover to next year				2,808.

Form 1120/
1120-A

Carryovers/Carryforwards Worksheet

2005

► Keep for your records

Name as Shown on Return <u>ITV DIRECT, INC.</u>		Employer ID No. <u>54-2106781</u>
	To Current Year	To Next Year
Form 1120/1120-A:		
Contributions carryover		
Net Operating Loss carryover	1,470.	2,808.
AMT Net Operating Loss carryover	1,470.	2,808.
Schedule D (Form 1120):		
Unused capital loss carryover		
Less current year capital loss carried back		
Carryover expiring next year due to 5 year limitation		
Capital loss carryover to next year		
Form 2220:		
Tax		
Form 4562:		
Section 179 carryover		
Form 4797:		
Nonrecaptured net Section 1231 losses – 2000		
Nonrecaptured net Section 1231 losses – 2001		
Nonrecaptured net Section 1231 losses – 2002		
Nonrecaptured net Section 1231 losses – 2003		
Nonrecaptured net Section 1231 losses – 2004		
Nonrecaptured net Section 1231 losses – 2005		
Total nonrecaptured net Section 1231 loss carryforwards		
Form 8827:		
Prior year Alternative Minimum Tax from Form 4626		
Minimum tax credit carryforward		
Form 3800:		
General business credit carryforward		
Form 6478:		
Credit for alcohol used as fuel		
Form 8835, Section B:		
Electricity and refined coal production credit		
Form 8844:		
Empowerment zone employment (EZE) credit carryforward		

Form 1120/1120-A Book/Return Income (Loss) Reconciliation Worksheet

2005

► Keep for your records

Name	Employer Identification Number	
ITV DIRECT, INC.	54-2106781	
1 Net income (loss) per books		-5,125.
2 Federal income tax		0.
3 Excess of capital losses over capital gains		
4 Income subject to tax, not recorded on books this year:		
a Fuel tax credit income (Form 4136)		
b Alcohol fuel credit income (Form 6478)		
c Prepaid revenues		
d Positive Section 481(a) adjustments		
e Installment sales		
f Gain on sale of assets		
g		
5 Expenses on books, not on return:		
a Depreciation		
b Contributions carryover		
c Travel and entertainment		
d Amortization		40.
e State taxes		
f Penalties and fines		3,787.
g Loss on sale of assets		
h Officers/key man life insurance premiums		
i Disallowed passive deductions		
j Employment credits wage reduction		
k Employee benefit reduction for credit from Form 8845		
l Nondeductible club dues		
m Payroll tax reduction for credit from Form 8846		
n Other expenses on books, not on return:		
.....		3,827.
6 Total of lines 1 through 5		-1,298.
7 Income on books, not on return:		
a Tax exempt interest		
b Federal tax refund		
c Gain on sale of assets		
d Prepaid revenues		
e Fuel tax credit refund received		
f Alcohol fuel credit refund received		
g Officers/key man life insurance proceeds		
h Installment sales		
i		
8 Deductions on return not charged against book income:		
a Depreciation		0.
b Contributions carryover utilized		
c Capital loss carryover utilized		
d State taxes		
e Amortization		40.
f Loss on sale of assets		
g Prior years' passive losses absorbed		
h		
9 Add lines 7 and 8		40.
Note: Line 10 below should be used for reference only if all M-1 adjustments are entered directly on this worksheet.		40.
10 Income (line 28, Form 1120, page 1 or line 24, Form 1120-A, page 1) - line 6 less line 9		-1,338.

Federal 1120 Depreciation Report
Regular TaxActivity Form 1120 Line 20 - 2005

Total cost of goods sold

Description	In Service	Cost	Land	Bus %	Type	Class	Conv	Depr
Cost of Goods Sold	Disposed	Basis	Sec. 179	Listed	Mthd	Life	Year	Prior
COMPUTERS	05/01/03	32,654.		100.00	MACRS	5	HY	0.
		0.	32,654.		200DB	5.00	3	0.
SOFTWARE	05/01/03	7,281.		100.00	NP		NA	0.
		0.	7,281.		SL	3.00	3	0.
STUDIO EQUIPMENT	09/24/03	7,033.		100.00	MACRS	7	HY	0.
		0.	7,033.		200DB	7.00	3	0.
ORGANIZATION COSTS	01/08/03	200.		100.00	AMORT		NA	40.
		200.				5.00	3	79.
Total		47,168.						40.
		200.						79.

Federal 1120 Depreciation Report
Alternative Minimum TaxActivity Form 1120 Line 20 - 2005

Passive adjustment Passive preference

Description	Real	Passive	AMT Cost	AMT Life	AMT Depr	AMT Adj
			AMT Basis	AMT Mthd	AMT Prior	AMT Pref
COMPUTERS	□	□	32,654.	5.00		
			0.	200DB		
SOFTWARE	□	□	7,281.			
				SL		
STUDIO EQUIPMENT	□	□	7,033.	7.00		
			0.	200DB		
ORGANIZATION COSTS	□	□	200.			
Total			47,168.			
			0.			

Federal 1120 Depreciation Report
Adjusted Current EarningsActivity Form 1120 Line 20 - 2005

Passive adjustment

Description	ACE Cost	Depreciation before TY 1990	ACE Depreciation	
	ACE Basis	ACE Life	ACE Prior	ACE Adj
COMPUTERS	32,654.			

Federal 1120 Depreciation Report
Adjusted Current Earnings

Continued

Activity Form 1120 Line 20 - 2005
Passive adjustment

Description	ACE Cost	Depreciation before TY 1990	ACE Depreciation	
	ACE Basis	ACE Life	ACE Prior	ACE Adj
SOFTWARE	7,281.			
STUDIO EQUIPMENT	7,033.			
ORGANIZATION COSTS	200.			
Total	<u>47,168.</u>			

Form 4562
Special Depreciation Allowance ReportActivity: Form 1120 Line 20 - 2005

Description	In Service	AMT Cost	AMT Basis	AMT SDA	Cost	SDA Basis	SDA
COMPUTERS	05/01/03	32,654.			32,654.		0.
SOFTWARE	05/01/03	7,281.			7,281.		0.
STUDIO EQUIPMENT	09/24/03	7,033.			7,033.		0.
ORGANIZATION COSTS	01/08/03	200.			200.		
Total		<u>47,168.</u>			<u>47,168.</u>		<u>0.</u>

Form 1120
Form 1120-A

Two Year Comparison

2005

► Keep for your records — Do not file

Name of Corporation

ITV DIRECT, INC.

Employer Identification Number
54-2106781

	2005		2004		Difference 2005 - 2004	
	Amount	% of Total Income	Amount	% of Total Income	Amount	%
1 a Gross receipts or sales	10,114,932.		11,933,860.		-1,818,928.	-15.24
b Less returns and allowances						
c Net receipts	10,114,932.		11,933,860.		-1,818,928.	-15.24
2 Cost of goods sold (Schedule A)	10,110,084.		11,920,609.		-1,810,525.	-15.19
3 Gross profit	4,848.		13,251.		-8,403.	-63.41
4 Dividends (Schedule C)						
5 Interest						
6 Gross rents						
7 Gross royalties						
8 Capital gain net income						
9 Net gain or loss (Form 4797)						
10 Other income						
11 Total income	4,848.	100.00	13,251.	100.00	-8,403.	-63.41

Deductions

12 Compensation of officers	0.	0.00	0.	0.00	0.	
13 Salaries and wages (less employment credits)		0.00		0.00		
14 Repairs and maintenance		0.00	2,040.	15.40	-2,040.	-100.00
15 Bad debts		0.00		0.00		
16 Rents		0.00		0.00		
17 Taxes and licenses	480.	9.90	456.	3.44	24.	5.26
18 Interest		0.00		0.00		
19 Charitable contributions		0.00		0.00		
20 a Depreciation on Form 4562	0.	0.00	0.	0.00	0.	
20 b Less depreciation on Schedule A and elsewhere		0.00		0.00		
20 c Net depreciation	0.	0.00	0.	0.00	0.	
21 Depletion		0.00		0.00		
22 Advertising		0.00		0.00		
23 Pension, profit-sharing, etc, plans		0.00		0.00		
24 Employee benefit programs		0.00		0.00		
25 Domestic production activities deduction		0.00		0.00		
26 Other deductions	5,706.	117.70	12,225.	92.26	-6,519.	-53.33
27 Total deductions	6,186.	127.60	14,721.	111.09	-8,535.	-57.98

Taxable Income

28 Taxable income before NOL and special deductions	-1,338.	-27.60	-1,470.	-11.09	132.	8.98
29 Less:						
a Net operating loss deduction		0.00		0.00		
b Special deductions		0.00		0.00		

30 Taxable income	-1,338.	-27.60	-1,470.	-11.09	132.	8.98
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Tax

31 Total tax (Schedule J)		0.00		0.00		
---------------------------------	--	------	--	------	--	--

Tax Payments and Credits

32 g Total tax payments and credits	0.		0.		0.	
33 Estimated tax penalty						
34 Tax due						
35 Overpayment	0.		0.		0.	

Form 1120/
Form 1120-ACorporation
Five Year Tax History
► Keep for your records

2005

Name as Shown on Return
ITV DIRECT, INC.Employer Identification No.
54-2106781

	2001	2002	2003	2004	2005
1 Gross receipts			7,657,006.	11,933,860.	10,114,932.
2 Cost of sales			7,517,811.	11,920,609.	10,110,084.
3 Gross profit			139,195.	13,251.	4,848.
4 Net capital gain ..					
5 Other income					
6 Total income			139,195.	13,251.	4,848.
7 Salaries					
8 Depreciation			46,968.	0.	0.
9 Other déductions			45,528.	14,721.	6,186.
10 Taxable income ..			46,699.	-1,470.	-1,338.
11 Income tax			7,005.		
12 Alternative minimum tax					
13 General business credits ..					
14 Other credits					
15 PHC tax					
16 Recapture taxes ..					
17 Tax liability			7,005.		

For Controlled Group Members Only

Enter your share of the \$50,000, \$25,000 and \$9,925,000 taxable income brackets, and your share of the additional 5% tax and 3% tax for the prior years.

	2001	2002	2003	2004	2005
18 \$50,000 bracket					
19 \$25,000 bracket					
20 \$9,925,000 bracket					
21 Additional 5% tax					
22 Additional 3% tax					

Electronic Filing Information Worksheet

► Keep for your records

2005

Name(s) shown on return
ITV DIRECT, INC.Identifying number
54-2106781

Part I – Electronic Return Originator Information

The ERO Information below will automatically calculate based on the preparer code entered on the return. If the ERO is not the same as the preparer designated on the return, enter a Preparer Code from the Firm/Preparer Info to assign an ERO to this return.

Check to use ERO name instead of firm name in electronic file ►

Firm Name	Social Security Number or PTIN		
<u>LEO H. BONARRIGO CPA</u>	<u>P43183937</u>		
Name	Employer Identification Number		
<u>Leo H. Bonarrigo, CPA</u>	<u>04-3183937</u>		
Address	Phone Number	Fax Number	
<u>268 SUMMER STREET, 6TH FLOOR</u>	<u>(617) 946-2562</u>	<u>(617) 946-2561</u>	
City	State	ZIP Code	Electronic Filers Identification Number (EFIN)
<u>BOSTON</u>	<u>MA</u>	<u>02210</u>	<u>042512</u>
Country	E-mail Address		
	<u>leo@bongotax.com</u>		

Enter a Preparer Code from the Firm/Preparer Info to assign a different ERO to this return. (See Help) _____

Part II – Paid Preparer Information

Firm Name	Social Security Number or PTIN		
<u>LEO H. BONARRIGO CPA</u>	<u>P43183937</u>		
Name	Employer Identification Number		
<u>Leo H. Bonarrigo, CPA</u>	<u>04-3183937</u>		
Address	Phone Number	Fax Number	
<u>268 SUMMER STREET, 6TH FLOOR</u>	<u>(617) 946-2562</u>	<u>(617) 946-2561</u>	
City	State	ZIP Code	Electronic Filers Identification Number (EFIN)
<u>BOSTON</u>	<u>MA</u>	<u>02210</u>	<u>042512</u>
Country	E-mail Address		
	<u>leo@bongotax.com</u>		

If your firm is **ONLY** the ERO and the return being transmitted was not prepared by your firm, enter a preparer code from the Alternative EF Preparer Information to assign a paid preparer. (See Help) ... ► _____

Form 1120, Page 1, Line 26
Other Deductions Statement

Accounting	5,000.
Amortization	40.
Bank charges	166.
Legal and professional	500.
Total	<u>5,706.</u>

Form 1120, Page 4, Schedule L, Line 18
Ln 18 Stmt

Other Current Liabilities:	Beginning of tax year	End of tax year
FEDERAL TAX PAYABLE	7,005.	0.
MA CORPORATE EXCISE PAYABLE	456.	912.
Total	<u>7,461.</u>	<u>912.</u>

Form 1120, Sch K, Corporation Ownership Information
Ques 5 Stmt

Name	ID No.
ROBERT A. MAIHOS-50%	013-44-7291
DONALD W. BARRETT-50%	029-54-7612

Form 1120, Page 4, Schedule M-1, Line 5
Ln 5 Stmt

Penalties and fines	3,787.
Total	<u>3,787.</u>